MIELLOFAX 3 82-00457R001100080005-0 Approved For Release 20 25X1 INTELLIGENCE GROUP INTELLIGENCE REPORT CONFIDENTIAL COUNTRY DATE: China INFO. & October 1947 Political Information: Reported Resurgence of SUBJECT November 1947 LI Li-san's Policies **PAGES** 25X1 ORIGIN SUPPLEMENT 25X1 STATE WAR NAVY JUSTICE R&E C&D 25X1 Differences in policies between MAO Tse-tung and LI Li-san which caused their disagreement in the early 1930's are again becoming apparent. The Far East Polithuro organized by LI Li-san and affiliated with the Third International represents the LI Li-san Clique which is working for a complete revolution by urging the people of all walks of life to rise against the government, at which time the Communist Army will come to their assistance. The MAO Tse-tung and the Democratic League cliques allied in the Northeast Politburo against Ul Li-san favor a more local policy of having the army push forward, and in are s thus liberated the Party will indoctrinate the people and secure the people's support for both the Army and the Party. Dissidence in the Chinese Com-25X1 munist Party - Differences of Opinion Between MAO Tse-tung and CHANG Wen-tians) The Chinese Communists appear to have a workable administrative control over their own areas. They have enough force to establish a complete government (? in the "liberated" areas ?); but MAO Tse-tung, contrary to the wistes of II Li-san, has not done so because he feels that such a move would further antagonize the United States and would definitely divide China, which is not 25×1 his (MAO's) desire. Cliques and Dissidence in the Chinese Communist Party.) In the past year the Chinese Communists have tried to alleviate the fear that the people have of the Party by easing up on their Liquidation and Land Division Movements. Their policy has changed from that of confiscating to borrowing in that they issue receipts for property taken. The people were temporarily appeased, but they are again becoming dubious because to date none of those receipts have been honored. One reason LI Li-san and EAO Tse-tung disagree is that apparently MAO still carries on some (?) negotiations with Nanking. During the mediations of General Marshall, there was a possibility -- had it not been for LI Li-san -- of coming to terms with LAO, who might have worked for an understanding between the Communists and the Nationalists with the view of strengthening his position against LI Li-san. The Chinese Communists are now in a strong enough position to feel that they can dictate the terms of peace negotiation, but there is no tangible evidence of how they would react to such negotiations at this time. CONFIDENTIAL 25X1 CLASSIFICATION REFERENCE CENTER LIDKARY Proposett Fo NO CHAICE IN Class.  $\Box$ DECLASSIVIED Class. CHANGED TO: TS DDA Memo, 4 Apr 77 Auth: DDA REG. 77/1763 25X1 R2-00457R001100080005-0 Approved For

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5. There is practically no count that LI Li-san has far-reaching plans for linking the entire far most through his far must rolithure.

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Note: The exact relationship, organization, and responsibilities of the Northeast Polithuro, har Nast Polithuro and Allied Command Group (? Informbureau ?) are not clearly defined and are not known at present.

- a. Li Li-san is backed by the Soviet Filitary Courant of the Par East;
  b. Leftist Couranists, headed by Li Li-san, the insisting upon the shifting of the Chinese Communist headenarters from Years to anchoria;
- c. Loscow is prepared for the directution of the Menan group. The forestion of a sept-independent Polithuro (? LI Li-san's her last Polithuro ?) is to be the first step. Utalia is a reenally in favor of getting rid of the "margarine Jornalists" of the Yenan tope and of encouraging the formation of a move ent under LI Li-san, who represents the same kind of less rehip that is in Yugoslavia, colond, and Lurania, there leaders have received years of indestribution in the NOOR.)

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